

Taxation and Tax Administration Orientation for Legislators

2011 Legislative Session

SENATE TAXATION

EXHIBIT NO. 2

DATE 1.11.11

BILL NO. Na

Structure: To be presented in **2 joint-sessions** to the Senate and House Taxation Committees that are **2-hours each session** on consecutive days.

Proposed Dates: Tues, January 11th 8:00 -10:00 am – Capitol Hearing Room 303

Weds, January 12th - 8:00 - 10:00 am – Capitol Hearing Room 152

Day One Outline:

- Introduction to the Department of Revenue and Montana's Tax Structure
- Constitutional Foundation of Taxation
- Provide an overview of all major tax types and the related information (but for property tax) – Use the Biennial Report as the primary outline guide
- Provide focused sections on the following areas:
 - Oil and Gas taxes – specifically on how these are distributed and what they fund
 - Tax expenditures – including individual, corporate and deductions

Day Two Outline:

- Property Taxation – overview of the process, the components and the administration of the property tax system
 - Explain statute Section 15-10-420
 - Types of property and timelines for assessment
 - Real
 - Mobile homes
 - Personal Property (Business equipment)
 - Revenue generated by property tax – state and local
 - How reappraisal process operations work
 - An Alternative Approach to Cyclical Reappraisal Report to RTIC
 - How property tax assistance programs work (EPTAP, PTAP, DAV, 2EC)
 - Fiscal impacts of each of these
- Gloudemans Report Presentation